

## HARDING DIRECTS INQUIRY ON ARMY GRAFT SCANDALS

\$25,000,000 Harness Contract With Former Officers for Commission Sales Is Suspended.

SUSPECT SALMON DEAL  
Graham Committee Uncovers Evidence of Alleged Profiteering With Names and Specific Dates.

DAUGHERTY PROSECUTOR  
Secretary Weeks Cooperates With Attorney-General in Search for Criminal Liability.

Special Despatch to THE NEW YORK HERALD.  
New York Herald Bureau, Washington, D. C., May 9.  
By direction of President Harding, the Department of Justice has begun an investigation of the charges of graft and profiteering in connection with army purchases during the war and the sale of surplus war materials since the armistice. Those charges resulted from the exhaustive inquiry of the select House Committee on Expenditures in the War Department, of which Representative Graham (Ill.) was chairman. They were ignored by the Wilson Administration.

Attorney-General Daugherty will prosecute all persons involved in these scandals if his Department finds the law has been violated.

Secretary of War Weeks is cooperating with Attorney-General Daugherty in the inquiry. The first tangible result is the suspension of a contract for the sale on a commission basis of army harness valued at upward of \$25,000,000. That action was recommended by the Department of Justice, which is continuing its study of the evidence to determine whether any criminal liability is involved in the transaction.

Conference With President.  
The Department of Justice also has sent a special request for all information gathered by the Graham committee in regard to the purchase during the war of canned salmon and the contracts made for the sale of the surplus.

The action of the Attorney-General forces a complete rest week between President Harding and members of the committee which made the investigation in the last Congress, including Chairman Graham and Representative Reavis (Neb.), chairman of the subcommittee on Quartermaster's stores. Other members of the committee who have interested themselves in the scandal are Representative Frear (Wis.), chairman of the subcommittee on air craft production; Representative Johnson (S. D.), chairman of the subcommittee on A. E. F. finances; Jeffers (Neb.), MacGregor (N. Y.), and Magee (N. Y.).

The President was told the Graham committee had uncovered some real scandals and could give names, dates and other specific information. He was urged by Chairman Graham, Representative Reavis and others to appoint a special prosecutor to aid the Department of Justice in studying the evidence. They explained to the President that unless the Republican Administration acted on the evidence there would be ground for the Democratic charge that army profiteering in the last Congress was not more than a scandal, but was intended to injure the Democratic Administration in the Presidential campaign. Such was not the case, they insisted, and now is the time to prove it. It is understood President Harding has been impressed with the force of their reasoning and the facts which they laid before him.

Unloaded Poor Salmon.  
While specific details are not available to-night regarding the exact character of the salmon charges or the individuals involved in the salmon scandal, it is understood there is evidence tending to show not only that packers unloaded a lot of bad salmon on the Government at high prices during the war, but that the packers were unduly favored by the War Department when the time came for the Government to get rid of its surplus.

## Alleged Dry Violator Is Acquitted in 32 Seconds

IT took a jury before County Judge Haskell, in Brooklyn, thirty-two seconds yesterday to acquit Thomas Labiuno, a saloon keeper, of 154 Forty-first street. It was the sixth case tried in Brooklyn under the Mullan-Gage law and the tenth acquittal. The jury was picked in the record time of five minutes, one prospective juror being excused when he admitted he was an advocate of prohibition.

Patrolman Crimmins of the Fourth avenue station testified he found two men in Labiuno's saloon on April 8 with liquor in front of them. Labiuno said he had not sold the whiskey, but had brought it to the place for his personal use.

TEN GIRLS BREAK  
OUT OF BEDFORD

Matron Was in House After  
Wrap When Inmates Made  
Dash for Liberty.

\$10 REWARD FOR EACH  
State Constabulary and Guards  
From Reformatory Spread  
Net Over Countryside.

The matron in charge of Robertson dormitory of the State Reformatory for Women at Bedford felt chilly last night while sitting on a veranda with the inmates of her cottage, and she went inside to get a wrap. But first, according to the custom and the rule, she counted the girls who sat on wicker chairs and on the steps, apparently with no wicked thoughts whatever. There were twenty-two of them.

But only a few minutes later the matron returned, comfortable in her wrap, and she counted the women again, for that is the custom and the rule also—count them when leaving and count them when coming back. But this time there were only twelve sitting in the wicker chairs and on the steps. Ten had vanished, presumably by the back door, for if they had gone by the front they would have had to run across the campus of the reformatory and would have been visible from the dormitory porch.

The matron did not need to be an Einstein to know that the inmates of Bedford had accomplished the biggest jail delivery in the history of the institution. She herded the prisoners that remained to her inside the house and telephoned to Dr. Amos T. Baker, the new superintendent of the reformatory, in office for a week and the first man to hold that office. Dr. Baker turned over all the keys of the institution to search and he sent out all of the male guards and all the matrons he could spare, he summoned the State constabulary from Brewster and White Plains and the city police from Bedford and he sent word to the city, many of whom turned out on an unofficial hunt for the women, because the State pays a reward of \$10 for each escaped prisoner captured and returned to the institution.

Dr. Baker said last night that he had received no word from his numerous hunting parties, but that he believed the girls started for the Connecticut State line, about six miles away. But they have no food and probably will have to leave the woods and venture into the highways within a short time. Dr. Baker also expressed the opinion that the ten girls did not particularly want their freedom, but that they wanted to get even with him for being a man superintendent.

"I think they acted on sudden impulse," said Dr. Baker, "and not from any desire for freedom. I think it is a movement against me, and a protest because I transferred twelve women from the dormitories to the psychopathic cottage."

This cottage, or ward, was opened yesterday in the Jackson-Bonnet cottages, and is designed for subnormal or abnormal girls and girls who, as Dr. Baker expressed it, have emotional explosions without adequate cause. The opening of the cottage caused considerable comment among the prisoners, many of them feeling that they might be committed to it and that it would brand them as insane or at the least a trifle queer.

The authorities at Bedford withheld the names of the escaping girls, but it was learned that three of them are Marie Gannon, Rose Wells and Henrietta Lane.

ZINC URGED AS BASIS  
FOR ROOSEVELT COIN

Institute Asks Treasury to  
Use Metal in New Money.

## U. S. LINER COMES HERE WITH LIQUOR TO TEST DRY LAW

Huron, Leased by Munsons  
From Shipping Board, Has  
an Ample Booze Supply.

NO STINTING OF DRINKS

Capt. McGorman Ordered  
by Owners to Stock Up  
for Voyage North.

REPORT TO WASHINGTON

Passengers From South American  
Ports Enjoy Trip on  
'Wet' Vessel.

The steamship Huron, a Shipping Board vessel operated by the Munson Line, came into port last night and immediately became the central figure in what was described as an effort by the Munson Line to test the right of the United States Government to prevent the serving of liquor on a ship of American registry.

The Huron, it was said, carried a substantial supply of booze and beer, and during her trip north from Montevideo, Buenos Aires and other South American ports to New York none of the passengers went thirsty. The vessel was docked at Pier 3, Hoboken. Her liquor storehouse was sealed off by a report of the matter.

Capt. James McGorman, the skipper, said that he had instructions to take aboard a supply of liquor and beer, and that his owners were prepared to set the Volstead act aside in so far as ships on the high seas are concerned.

According to one passenger, the Munson Line notified the skipper that in the matter of liquor there was to be no stinting. The message, it was said, was received at Montevideo, and soon afterward 1,000 bottles of liquor and 1,000 bottles of 6 per cent. beer were taken on board. It was alleged also that a bar was opened. These little conveniences were viewed with rejoicing at Rio de Janeiro and Santos, where other passengers were taken on board.

Then the Huron, a wet ship, off that fly the American flag, in the words of the passengers, started her northward voyage. Just before Ambrose Channel lightship was sighted, it was explained, the lid was clamped down tight. Customs officials who boarded the Huron at Quarantine sealed the storehouse where it was said the liquor and beer were kept and when the ship steamed slowly into her pier she was dry.

News that the Huron would be run up from Montevideo as a "wet" ship, the first to attempt such an experiment under the American flag since prohibition became an actuality, was received first on April 18 from Buenos Aires. The despatch said:

"Orders have been received to stock the vessel with sufficient alcoholic beverages for its passengers for a round trip."

Immediately the Shipping Board, through Rear Admiral Benson, chairman, announced that no authorization for such an order had been given. The Munson line officials also denied there was any truth in the report and said that if any liquor had been put on board the Huron passengers must have done the job. Still more recently Admiral Benson let it be known that a report would be submitted to him concerning the stocking of the ship with liquor, and that upon this report he would base any official action considered necessary.

APRIL RUM SEIZURES  
ARE WORTH \$10,000,000

City Arrests 2,580, but Grand  
Juries Are Acquitting.

Ten million dollars' worth of liquor was confiscated and 2,580 persons were arrested in this city for violation of the Mullan-Gage act during April, the first month of the enforcement drive, according to an announcement made yesterday by Commissioner Richard E. Enright. The Commissioner added there is no question as to the ability of the city to make New York dry.

Such an enormous quantity of whiskey, gin, beer, wine, home brew and hooch has been seized that the police are up against it for storage space. All the storerooms are filled, and there is a quantity stored underneath the Harlem River Bridge. All the back rooms in the station houses are piled high with cases, kegs and bottles.

"We have had 500 men working exclusively on liquor enforcement," Commissioner Enright said. "This takes them away from other duties and handicaps the efficiency of the department. We have shown we can enforce the law and we can continue to enforce it, but we need 1,000,000 a year to provide 1,000 more men and about \$40,000 a month for expenses."

The possession of a flask of what was alleged to be liquor led to the arrest last night of William A. Lane, broker, of 12 East Fourth street, and William Gilbert, broker, of 138 West Sixteenth street. They were taken to the West Thirtieth street station from the West Amsterdam Road, where they had been witnessing the Zieffeld Midnight Frolic. The arrests were made by Detectives Rothamel and Brady.

## Puny Meeting of I.W.W. Wails Over Lost Cause

Special Despatch to THE NEW YORK HERALD.  
CHICAGO, May 9.—Amnesty for members now serving sentences at Leavenworth was the principal issue discussed at the thirteenth annual national convention of I. W. W.'s held here to-day.

Other issues confronting the delegates, of whom there are only thirty-five, were the establishing of a broadly functioning "research bureau" and the laying of plans for an economic international.

"It's hardly worth while holding a convention," said Chairman Roy Brown. "Nearly all our best people are in jail or under cover. The rank and file of our organization seem to have lost heart in our work since Big Bill Haywood fled the country."

## FALLS TO DEATH ON PALISADES ROCKS

New York Schoolgirl Has Fatal  
Accident at Picnic—Chum  
Is Badly Hurt.

ONE TRIED TO SAVE OTHER

Were Pupils at Extension  
School and in Charge of  
Teachers at Time.

While gathering firewood at the base of the Palisades on the Hudson shore north of Englewood, N. J., Sunday, two girls, members of a picnic party, which included three New York school teachers, slipped and fell on jagged rocks. One of them died in Englewood Hospital yesterday. She was Elizabeth Mullenbrock, 16 years old, of 612 East Seventeenth street, Manhattan.

Her chum, Irene Fredericks, 15 years old, of 209 Avenue C, who fell with her, was badly cut and bruised, but will recover.

The two were chums and pupils in an extension school in Hester street. When eight or ten others they had planned an outing in Interstate Park. They met at an appointed place on Sunday morning at Rose Moore of 1613 Second avenue and Frances Shannon of 208 East 101st street, and three teachers, one of whom was Miss Margaret Healey of 482 Tenth street, Brooklyn. The other girls did not appear.

The seven crossed the river at Dyckman street and started along the base of the Palisades into the park. While the others were preparing the food for the luncheon Miss Fredericks and Mullenbrock climbed the talus rock, overgrown with small trees, to gather sticks for the fire. One of the girls stumbled. Which one it was none of the survivors is certain. The other reached out a hand to save her friend, and in doing so she also lost her balance, and both plunged down the steep slope. The distance they fell was hardly more than fifteen feet, but they tumbled head first against sharp rocks.

Both were unconscious when their companions reached them. They were taken to the hospital in an automobile by H. F. Cornwell of 77 Hackensack Plank road, Weehawken. Irene Fredericks was unconscious all night, but better yesterday. Miss Mullenbrock's skull was fractured and an operation yesterday afternoon could not save her. The Fredericks girl was unable to tell much about the accident, but she was understood to say she toppled down the rocks just after her chum had tried to push a branch of a tree in her direction in order to give her something to hold on to avert the fall. One of the teachers thought Irene Fredericks got a foot caught and started falling first.

One of the girls, both the girls are drivers. Elizabeth Mullenbrock's oldest sister died just seven months ago yesterday.

COAL COMPANY OFFICERS  
ARE FINED \$250,000

Violated Injunction Against  
Mining Certain Areas.

SCRANTON, Pa., May 9.—Judge George W. Maxey, to-day fined the People's Coal Company, Frank Christian, president, \$250,000 for violation of an injunction against mining in certain areas. As a result of this judgment the company was cited for contempt of court in violating an injunction restricting mining under certain areas in West Scranton. The action is the outgrowth of the seizure by the city of the Oxford mine of the defendant company a year ago.

Frequent damage to buildings situated in the area in which mining was supposed to be restricted led the city to believe mining was going on there despite the injunction. An attempt to investigate was met by the company with resistance.

Mayor Connell at the head of a squad of police theorists seized the mine and sent a commission of expert engineers into the works. As a result of this investigation the company was cited for contempt and also charged with mining thousands of tons of coal to which it had no right.

ALBERT TO VISIT ENGLAND.  
LONDON, May 9.—It was officially announced to-day that Albert, King of the Belgians would pay a visit of state to England early in July. The visit will begin July 4 and end July 8.

## \$50,000 STOLEN; NO MARKS FOUND ON SAFE OR DOORS

Mystery in Night Robbery  
in East 42d Street  
Building.

COMBINATION SECRET

Known Only to President of  
Looted Union Carbide  
Company.

GEMS VANISH IN DRIVE

Stolen From Apartment of  
Mrs. Gulbranson, at All  
Times Occupied.

Jesse J. Rinks of Manhasset, L. I., president of the Union Carbide and Carbon Company of 30 East Forty-second street, opened his safe in the firm's office on the nineteenth floor of the building yesterday and discovered that \$50,000 in bonds, most of them non-negotiable, and about \$500 in cash were missing. He told the police he had placed them in the safe when he left Saturday afternoon.

Detective from the East Thirty-fifth street station who investigated the robbery could find no signs that the safe had been tampered with or that an attempt had been made to blow it. They declare the safe, which is more than six feet high and three feet wide, is the product of one of the best known, safe manufacturing companies and is absolutely burglar proof, with an outer and inner burglar proof door. The combination of the outer door, Mr. Rinks told the detectives, is known to two or three confidential employees, but no one but himself knows the combination of the inner door.

Several burglars were committed early Thursday morning in houses in the residential district between Bedford Park Boulevard and Moshulu Parkway, The Bronx. Although the police have made no arrests, they succeeded in keeping the robberies secret until yesterday.

One of the houses entered was that of Dr. M. L. Lobitz, a dentist, at 2999 Marion avenue. The thieves overlooked a silver service valued at \$1,200 and stole a quantity of clothing. The burglars then entered the adjoining house at 2991, where John T. Manning, principal of P. S. 8, resides, but got little of value.

Two men who had smashed the window of a store on West Forty-second street, between Fifth and Sixth avenues, and were stealing stockings, escaped with several bullets from policemen's guns whistling by them early yesterday morning.

BRITAIN RECOGNIZES  
DE FACTO RUSSIAN RULE

Copenhagen Hears Report,  
Which Is Not Confirmed.

COPENHAGEN, May 9.—The British Government, it is asserted in information obtained here from a Russian source, has given de facto recognition to the Russian Soviet Government.

(No confirmation of this report has been received from any other source.)

STOCKHOLM, May 9.—Reports of wholesale executions by the Bolsheviks of participants in the recent Kronstadt uprising are contained in a private message from Helsinki to the Tidnings agency to-day. These met with immediate denial, however, from the Bolshevik agency here.

The message asserted that several thousand of the Kronstadt rebels, among them hundreds of women and children, had been executed, but the Soviet agency says that only thirteen persons, leaders of the revolt, were shot.

LEAGUE TO MEET SEPT. 5.

President da Cunha Calls Assembly to Geneva.

GENEVA, May 9.—The Assembly of the League of Nations will hold its next meeting September 5 in Geneva.

President da Cunha of the league's council to-day issued the call for this session.

## GERMANY READY TO YIELD; REICHSTAG FOR SUCH MOVE; FRENCH CROSS RUHR RIVER

Muelheim Occupied and Bank Seized  
By the French Troops, Berlin Hears

By the Associated Press.  
BERLIN, May 9.—A despatch to the Deutsche Allgemeine Zeitung from Muelheim to-day says that French troops from Gendorf crossed the Ruhr last night and occupied various points in the town of Muelheim, including the national bank.

DUSSELDORF, May 9.—As the day approaches for the possible occupation of additional German territory by the Allies the temper of the population seems to be growing more nervous and sullen. Leaves of officers and soldiers have been reduced to a minimum, and fewer troops are visible in the streets, most of them being confined to barracks. The troops are billeted in certain districts of the city, and the Belgian batteries are trained on the remainder of Dusseldorf.

French headquarters has informed Burgomaster Kottgen that the artillery will open fire at the first outbreak of rioting. Gen. De Goutte, commanding the French Army of Occupation, is expected to arrive here from Mayence Tuesday at noon. On his arrival he will make a final inspection of the Army of the Rhine, visit the outposts and put the finishing touches on the preparations for a possible occupation of the Ruhr.

By the Associated Press.  
BERLIN, May 9.—Late to-night the party leaders admitted that there would be available to-morrow (May 10) in the Reichstag a safe majority in favor of accepting the allied ultimatum with regard to reparations.

[Germany has until midnight May 12 to accept the Allies' ultimatum with a categorical "Yes" or "No" or the Ruhr industrial region will be occupied by allied troops.]

Earlier in the evening the Majority Socialists (the party of President Ebert) and the Clericals in party conferences to-day voted in favor of accepting the ultimatum of the Allies.

The German People's party, by a vote of 59 to 5, rejected the proposition. The Democrats were in session up to midnight.

As the Independent Socialists had already favored yielding to the Allies, it was then believed there would be a sufficient majority in the Reichstag for acceptance of the ultimatum.

Paul Loebe of the Majority Socialists and President of the Reichstag will be commissioned by President Ebert with the task of forming a new Cabinet.

ESSEN, May 9.—The municipalities of Duisburg, Ruhrort, Wesel and Essen (all in the occupied or to be occupied region) have sent a joint resolution to the Berlin Government asking that it refuse to sign any document "enslaving the Ruhr miners to the Entente."

U. S. FOR RUHR ADVANCE  
IF GERMANY IS DEFIANT

Use of American Troops Held  
Very Doubtful.

Special Despatch to THE NEW YORK HERALD.  
New York Herald Bureau, Washington, D. C., May 9.

If Germany should remain stubborn to the end and refuse the allied reparations terms it is quite likely that this country will acquiesce in the military occupation of the Ruhr Valley. Whether the American troops on the Rhine would take part in this movement is a question that found no official answer here to-day, but it is regarded as a very doubtful, for the double reason that such a move would most certainly arouse a storm of disapproval in Congress and that their services are not needed, since France has made all necessary preparations.

The purpose of the Administration in bringing about delay in the enactment of the Knox resolution for a separate peace with Germany was emphasized again to-day. Republican Leader Monroney of the House called on President Harding and later indicated that the President desired the passage of the resolution postponed in order that no encouragement might be given to Germany at this critical juncture to defy the Allies.

In accordance with the Administration's desires Republican House leaders now plan to have the permanent tariff revision and later indicated that the probability that an insurgent movement would be a success provided assurances, are continued that the peace resolution will not be finally abandoned.

The holding of the Knox resolution is not the object of the attitude of the United States. It was authoritatively stated to-day that "if there is any question of acquiescence in the Allies' question does not apply to the Allies." This plainly indicated that it is Germany's good faith which the United States is questioning. It was also officially intimated that the factories and the Ruhr industrial region will be occupied by allied troops.

The holding of the Knox resolution is not the object of the attitude of the United States. It was authoritatively stated to-day that "if there is any question of acquiescence in the Allies' question does not apply to the Allies." This plainly indicated that it is Germany's good faith which the United States is questioning. It was also officially intimated that the factories and the Ruhr industrial region will be occupied by allied troops.

Germany's direct interest in the settlement of this problem is evident. The Administration is interesting itself in the domestic railroad problem, in business conditions and labor situations generally, but back of it all is the fact that the United States has become an exporting and a creditor nation. It is accepted there will be no return to normalcy until the world markets are reopened to the American producer and manufacturers by the

For Country Board, Furnished  
Rooms, or Board in the City

Want Ads. in The Herald will put you in touch with  
the most desirable type of people. Be sure and see  
Want Ad. Page to-day. Interesting letter there  
about furnished room advertising.

THE NEW YORK HERALD  
TELEPHONE CHLSEA 4000